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Attorneys for Defendant
GEOSENTRIC OYJ

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

Decarta, Inc.)	Case No. CO8 02620
)	
Plaintiff,)	DEFENDANT GEOSENTRIC OYJ'S
)	ANSWER TO COMPLAINT
vs.)	
)	
Geosentric OYJ)	
)	
Defendant.)	

Defendant GEOSENTRIC OYJ hereby answers the Complaint of Plaintiff DECARTA, INC.
as follows:

THE PARTIES

1. Geosentric admits that DeCarta is a California corporation with its principal place of business at 4 No. Second Street, Ste. 950, San Jose, CA 95113.
2. Geosentric admits that it is a Finnish corporation, with its principal place of business in Salo, Finland.

JURISDICTION AND VENUE

3. Geosentric denies that it is a signatory to the alleged written Agreement, which Plaintiff has not attached to the Complaint, and therefore denies the allegations contained in paragraph 3.

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4. Geosentric denies that it is a signatory to the alleged written Agreement, and therefore denies the allegations contained in paragraph 4.

5. Geosentric denies that it is a signatory to the alleged written Agreement, and therefore denies the allegations contained in paragraph 5.

6. Geosentric denies that it is a signatory to the alleged written Agreement, and therefore denies the allegations contained in paragraph 6.

7. Geosentric denies that it is a signatory to the alleged amendment to the written Agreement, and therefore denies the allegations contained in paragraph 7.

8. Geosentric denies the allegations contained in paragraph 8.

9. Geosentric denies that it is a signatory to the alleged written Agreement, and therefore denies the allegations contained in paragraph 9.

10. Geosentric denies there was non-payment of an outstanding balance owed. Geosentric admits that Plaintiff made attempts to resolve the matter with Geosentric, and that Geosentric paid \$76,500. Geosentric denies that there is a remaining indebtedness in any amount.

11. Geosentric admits Plaintiff sent letters on or about November 12, 2007 and on or about December 13, 2007, and denies the remaining allegations of paragraph 11.

12. Geosentric admits that Plaintiff requested payment on or about November 12, 2007, and denies that Geosentric owed an outstanding balance, or that it was a signatory to the alleged Agreement. Geosentric denies the remaining allegations of paragraph 12.

13. Geosentric denies the allegations of paragraph 13.

14. Geosentric admits that Plaintiff requested the return of its products. Geosentric denies that it is a signatory to the alleged written Agreement, or that it continues to offer for sale telephones including Plaintiff's software. Geosentric admits that it sold approximately 703 TWIG telephones between December 13, 2007 and February 8, 2008, of which 200 were returned. Geosentric denies that it has breached an Agreement between it and Plaintiff by failing to pay licensing fees.

FIRST CAUSE OF ACTION

15. Geosentric incorporates by reference its response to paragraphs 1-14.

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16. Geosentric denies the allegations of paragraph 16.

17. Geosentric denies the allegations of paragraph 17.

18. Geosentric denies the allegations of paragraph 18.

19. Geosentric admits that it sold TWIG telephones with Plaintiff's software, but denies that it breached the alleged written Agreement between Geosentric and Plaintiff by making sales after the termination.

20. Geosentric denies the allegations of paragraph 20.

21. Geosentric denies the allegations of paragraph 21.

SECOND CAUSE OF ACTION

22. Geosentric incorporates by reference its responses to paragraphs 1 through 21.

23. Geosentric denies the allegations of paragraph 23.

24. Geosentric admits that deCarta repeatedly demanded payment, but denies that it agreed to a balance owed.

25. Geosentric denies the allegations of paragraph 25.

THIRD CAUSE OF ACTION

26. Geosentric incorporates by reference its responses to paragraphs 1 through 25.

27. Geosentric denies the allegations of paragraph 27.

28. Geosentric denies the allegations of paragraph 28.

29. Geosentric denies the allegations of paragraph 29.

30. Geosentric denies the allegations of paragraph 30.

31. Geosentric denies the allegations of paragraph 31.

AFFIRMATIVE DEFENSES

As and for its separate, affirmative defenses, Geosentric alleges as follows:

FIRST AFFIRMATIVE DEFENSE

(Failure to State a Claim)

The Complaint, and each claim for relief therein fail to state a claim upon which relief can be granted.

1 SECOND AFFIRMATIVE DEFENSE

2 (Lack of Injury)

3 Plaintiff's claims for relief against Geosentric are barred, in whole or in part, because
4 Plaintiff did not suffer any damages as a result of the actions alleged in the Complaint.

5 THIRD AFFIRMATIVE DEFENSE

6 (Failure to Mitigate)

7 Plaintiff's claims for relief against Geosentric are barred, in whole or in part, because
8 Plaintiff failed to take reasonable action to avoid or mitigate any damages it suffered as a result of
9 the actions alleged in the Complaint.

10 FOURTH AFFIRMATIVE DEFENSE

11 (Waiver)

12 Plaintiff's claims for relief against Geosentric are barred, in whole or in part, by the equitable
13 doctrine of Waiver.

14 FIFTH AFFIRMATIVE DEFENSE

15 (Estoppel)

16 Plaintiff's claims for relief against Geosentric are barred, in whole or in part, by the equitable
17 doctrine of Estoppel.

18 SIXTH AFFIRMATIVE DEFENSE

19 (Unclean Hands)

20 Plaintiff's claims for relief against Geosentric are barred, in whole or in part, by the equitable
21 doctrine of Unclean Hands.

22 SEVENTH AFFIRMATIVE DEFENSE

23 (Failure of Consideration)

24 Plaintiff's claims for relief against Geosentric are barred by a failure of consideration
25 promised in the alleged Agreement and amendments thereto.

26 EIGHTH AFFIRMATIVE DEFENSE

27 (Plaintiff's Breach)

28 Plaintiff's claims for relief against Geosentric are barred by Plaintiff's material breach of the
alleged Agreement and amendments thereto.

NINTH AFFIRMATIVE DEFENSE

(Rescission)

1 Geosentric, as successor in interest to the contracting party, is entitled to and hereby gives
2 notice of Rescission of the alleged Agreement and amendments thereto on the grounds of material
3 misrepresentations, promissory fraud, and fraudulent inducement by Plaintiff.

4 **WHEREFORE**, Geosentric prays for judgment as follows:

- 5 1. That Plaintiff DeCarta take nothing by its action;
- 6 2. That judgment be entered in favor of Defendant Geosentric and against DeCarta;
- 7 3. That the action be dismissed with prejudice;
- 8 4. That Geosentric recover its costs of suit and reasonable attorney's fees; and
- 9 5. For such other relief as the Court deems just and proper.

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11 Date: May 28, 2008

FOX ROTHSCHILD, LLP

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14 PHILLIP F. SHINN
15 Attorneys of Record for Defendant
16 GEOSENTRIC OYJ
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